

EXHIBIT E



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September 30, 2020

VIA E-MAIL

John Hughes, III
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Re: In re Fin. Oversight & Mgmt. Bd., No. 17-BK-3283-LTS –Commonwealth Assets Rule 2004 Requests

Counsel:

I write in response to your letters dated September 10, 2020 and September 22, 2020 in connection with Ambac's Assets Rule 2004 Motion [ECF No. 9022]. By repeating Ambac's headings, AAFAF does not reflect any acceptance or agreement by AAFAF that the materials sought are within the scope of Ambac's original requests or within the acceptable bounds of Rule 2004 discovery.

A. Category 1: Assets (current and transferred/encumbered)

- *Documents sufficient to show, from January 1, 2015 to the present, the alienation or encumbrance of any assets held by the Commonwealth or its instrumentalities.*
- *A list of the Commonwealth's current assets.*

Inventory of Real Property Assets. Your September 10, 2020 letter requests confirmation of "whether the Board or AAFAF requested that a comprehensive list of the Commonwealth's (or its instrumentalities') real property be developed."

AAFAF has not made any requests beyond the November 2019 letter it already produced,¹ nor has it identified any request to create a list of all current assets from the Oversight Board.

Prioritized Commonwealth Assets. On September 29, 2020, AAFAF produced the following documents responsive to Ambac's March 16, 2020 list of prioritized assets.²

¹ ASSETS_2004_0000601.

² The information listed in the columns below was taken from the March 16, 2020 List, and by listing them here, AAFAF does not represent that the information therein is accurate.



No.	Name / Description of Property	Address / Location (Geolocation Coordinates)	Ownership	Bates Number
1	Vacant land in the Convention District	609 Fernandez Juncos Ave., San Juan (18.456332, - 66.087094)	CCDA	ASSETS_2004_0001487
2	Land adjacent to San Juan's Piers	302 Fernandez Juncos Ave., San Juan (18.462778, - 66.097901)	CCDA	ASSETS_2004_0001493
3	Land in front of San Juan's Piers	Pier 10, Fernandez Juncos Ave, San Juan (18.463194, - 66.102082)	CCDA	ASSETS_2004_0001499
4	Puerto Rico Convention Center	100 Bulevar Saint John, San Juan, 00907, Puerto Rico (18.454112, - 66.092104)	CCDA	ASSETS_2004_0001504
5	Coliseo de Puerto Rico José Miguel Agrelot	500 Avenida Arterial B, San Juan, 00918, Puerto Rico (18.427904, - 66.061333)	CCDA	ASSETS_2004_0001507
6	Rivas Domenici Executive Airport	Calle Lindbergh, San Juan, 00901, Puerto Rico (18.456825, - 66.098039)	CCDA	ASSETS_2004_0001525

While AAFAF reiterates its objection to these requests as overbroad insofar as they seek information regarding assets that are not owned by the Commonwealth, AAFAF is continuing to work with the relevant instrumentalities to determine if additional materials exist.

AAFAF Assets Review. Your September 10, 2020 letter asks “whether AAFAF has collected any follow-up communications or analyses related to such certifications (e.g., communications identifying information missing from the certifications or requesting that supplemental information be provided).”

AAFAF has not currently located any corrected or supplemental information beyond what is in the certifications. To the extent AAFAF locates corrected or supplemental certifications, or written correspondence supplementing or correcting an entity's certification, AAFAF will produce them.

In addition, on September 29, 2020, AAFAF produced a certification from the Metropolitan Bus Authority (Autoridad Metropolitana de Autobuses).³ To the extent additional certifications are located, AAFAF will produce them.⁴

Ad Valorem Taxes / Tax Arrears. Your September 10, 2020 letter requests “information exchanged in connection with offers to purchase the Commonwealth’s accounts receivable portfolio, including information related to the valuation of the portfolio” that are referenced in the 2020 certified CRIM Fiscal Plan.

AAFAF and CRIM are continuing to investigate what responsive and relevant information could be produced in response to this request that is not privileged or unduly burdensome and disruptive to the Government’s operations.

B. Category No. 2: August 2019 Report – 23 Properties

- *A list of, or documents sufficient to identify, the 23 properties that were indicated as sold, or to be sold by December 2019, by HTA in the August 2019 report on the implementation of HTA’s certified fiscal plan.*
- *Documents sufficient to show*
 - *how those properties were identified for sale or potential sale; and*
 - *the process and protocol for soliciting and entertaining bids, and evaluating and approving a sale.*

There are no open issues with respect to this request. Your September 10, 2020 letter advises that your review and analysis of AAFAF’s production in connection with Category No. 2 is ongoing. On September 29, 2020, AAFAF produced a sales contract for one of the properties.⁵

C. Category No. 3: Real Property Valuation and Disposal Committee

- *Documents sufficient to show (i) AAFAF’s (or any other Commonwealth instrumentality’s) authority to supervise the work of the Committee; (ii) regulations governing the formalization of disposal of Commonwealth properties, including how the properties will be made available for sale and information will be made available to interested bidders; and (iii) any other strategy by AAFAF or the Committee related to disposal of properties, including establishment of an online data base, as per recent statements of AAFAF Executive Director Omar Marrero.*
- *Documents sufficient to identify any (i) proposals considered (whether ultimately accepted or not), (ii) transactions recently approved, and (iii) transactions currently under evaluation.*

³ ASSETS_2004_0001618.

⁴ AAFAF’s August 27, 2020 letter incorrectly stated that the response to the November 2019 letter produced at ASSETS_2004_0001378 is attributable to Administracion de Vivienda Publica. The document rather is attributable to Departamento de Vivienda and is a duplicate of document ASSETS_2004_0001353, which is also referenced by the letter.

⁵ ASSETS_2004_0001621.

Your September 10, 2020 letter advises that your review and analysis of AAFAF's production in connection with Category No. 3 is ongoing, and requests that AAFAF "investigate whether two previously produced PDF documents identifying transactions approved by the Committee (ASSETS_2004_0000001, -006) are available in Excel format or other native file."

AAFAF is continuing to investigate whether CEDBI approved transaction lists are available in a different file format.

D. Category No. 4: Municipal Revenue Collections Center ("CRIM")

- *A list identifying all properties that have been foreclosed upon by the Commonwealth or its instrumentalities from January 1, 2015 to present, and which of those properties were subsequently sold by the Commonwealth (and for how much).*
- *All guidelines or rules governing CRIM's foreclosure of private property and the process for determining whether to sell any of foreclosed-upon properties.*

There are no open issues with respect to this request. Your September 10, 2020 letter advises that your review and analysis of AAFAF's provided list of properties in connection with Category No. 4 is ongoing.

E. Status Report Regarding the COVID-19 Pandemic

Your September 22, 2020 letter cites the Government Parties' September 15, 2020 status report (ECF 14301), which discusses Puerto Rico's efforts to reopen in the face of the ongoing COVID-19 pandemic, and requests an "update regarding relevant Commonwealth employees' access to in-office files." AAFAF directs Ambac's attention to COVID-related Executive Orders, which are publicly available.⁶

The latest such Executive Order EO-2020-066 (Sept. 11, 2020) provides that government employees must adhere to the individual work plans set by their respective agencies. Starting September 29, 2020, AAFAF employees will be returning to work at AAFAF's office several days per week, on a rotating basis. AAFAF is working diligently to coordinate with other agencies to collect documents and information responsive to Ambac's requests and will complete its production as soon as practicable.

Sincerely,

/s/ Elizabeth L. McKeen

Elizabeth L. McKeen

⁶ <https://www.estado.pr.gov/en/executive-orders/>.